G. R. S. IX-5]

Preserved

Previous references.

G. 7. 230-17 1a, 1b, 1b5

G. 7. 21-18 1, 2, 4, 5, 6, 9

1 Jan 4 1919.

1919.

(G. 7.)

File No. 290 — 18

Serial Nos. 1 and 2

Later references.

P 16 E

Please
Jun
21.10.19

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 + 2

Part B for August 1919.

SUBJECT.

Levy of premium on currency Notes.

Sl. 1 From The Manager, Mysore Works No 32 dt 4.9.19

Requests issue of orders not to levy Commission on currency Notes presented for encashment at the Mysore Treasury

Sl 2- To The Manager, Mysore Works, No: Gl 1151/G.7 290-18-2 dt 10.9.19.

Regrets that the present practice cannot be changed &c.

Copy to Comptroller

Absolute

W D 1250—GPB—30,000 - 28-1-19

(1

G. R. S. III—1] 1918-19

GENERAL AND REVENUE SECRETARIAT.

(G.A.)

NOTES.

File No. 290-18

FILE HEADING.

Levy of premium on currency Notes:-

From

The Manager, Mundra Works

No. 32 Dated 4-9-19 Received 9.9.19

Diary No. 2803	Enclos. — Spare Copies. —	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Requests issue of orders not to levy Commission on currency Notes presented for encashment at the Mundra Treasury

NOTES AND ORDERS.

Dewan's remarks

1) "Comptroller for favour of remarks"

(sd) A. R. B.

Hill: under secy's remarks

2) "Comptroller" (sd) B. S.

19/11/19.

NOTES—First Sheet.

D 2803

(2 2

G. R. S. III-2.

General and Revenue Secretariat.

G7 File No. 190 of 1918.

Serial No. 3

No. 3022 Books Dy 28/29.4.19

Rules in regard to enchashment of Currency Notes by the Treasuries are given in paras 877 and 878 of the Mysore Treasury Manual. The statement that no other Treasury in the Mysore State charges any discount for cashing currency notes is incorrect. Hunsur is one of the Treasuries where levy of commission has been authorised (Vide foot note to para 878 of Mysore Treasury Manual.) The commission -- leviable on notes of circles other than Madras Circle or Universal Notes is 7 annas - 4 annas per cent under the ordinary rules and 3 annas per cent for payment to the Bank of Madras which encashes such notes for us only at a commission of 3 annas per cent and not 8 annas as stated. At deficit treasuries requiring supplies of coin for cashing Currency Notes the levy of the commission of 4 annas is made to cover the cost of remittance of coins and notes and the extra 3 annas is, as stated above for foreign Circle notes, ~~which~~ for the Madaas Bank charges ~~us~~

Bangalore,
21st April 1919.

Comptroller.

CV/21-4

4) Please)

5) 23/4

6) Dewan

7) Why extra charge from mfg. Depts Direct 14. for 3

2507
2874

A.G.'S OFFICE
1919
6626

NOTE—Contn. sheet

(3 7)

F. R. S. III-2.

D 2803

General and Revenue Secretariat.

67 File No: 290 of 1918.

Serial No.

8) 1) This is not done in Madras Presidency

9) 2) We may abolish the charging of commission for Madras circle notes but in that case we can only cash notes to the extent that we get specie in the respective treasuries. We cannot remit specie at considerable cost to cash notes as we do now. This will be a disadvantage to the public rather than an advantage.

M 28/4

B 29/4

DEWAN'S OFFICE.
Recd. on MAY 1 1919
Reg. No. 6770.

10) Dewan) Can this be done by distributing Madras cash as is done by the Madras Circle by the [illegible]

11) Cy. Secy. Secy & Income Tax Comr. may be requested to report.

25-77/6075

H. W. Q. 2606-18.

12) 1) The Comptroller distributes notes & cash to treasuries in Mysore as the Ry. does in Madras but the specie remittances cost a lot here as in Madras.

13) 2) The Comptr will please report the cost of remitting one lakh in specie to

NOTE—Contn. sheet

G. R. S. III-2]

General and Revenue Secretariat.

290
G7 File No. ~~D2803~~ of 191 8-19

Serial No.

Re 2606-18

an average deficit. Hy numbers cannot is charged & the amount realized by charging Commn @ ½ — 16/5 — 16/5

70745

14) Complied —

U.O.No 4 Rev: 221/2 3265 dated 22-5-19

15) The approximate cost of remitting a lakh of rupees from the State Huzur Treasury to the Kadur District Treasury, the Shimoga District and the Hunsur Taluk Treasury is as follows:-

	Kadur District Treasury Rs.	Shimoga District Treasury Rs.	Hunsur Taluk Treasury Rs.
Cart hire from State Huzur Treasury to Railway Station	3	3	3
Railway Freight	45	61	31
Cart hire from Railway Station to Treasury	6	3	6
Railway fare for escorts	10	13	7
Pay & Travelling Allowance of Shroffs	29	19	22
	93/-	99/-	69/-

16) In determining the cost of remittance, the expenditure incurred in collecting Spare from various distant surplus treasuries has also to be considered. This may be taken at about the same figure. Again during interest realisation season, we have also to take into

NOTE—Contn. sheet.

(5 5

G. R. S. III-2]

General and Revenue Secretariat. | G.7 File No. 290 of 1916.

Serial No.

into account the loss of interest on amounts reserved for this purpose both in the State Huzur Treasury and the other Treasuries. On the whole, the cost of remittance, taking both direct and indirect charges, may be taken to vary from Rs.200/- to Rs.250/- according to the distance of the Treasury to which the remittance is to be made, while the commission leviable at ¼ per cent amounts to Rs.250/-.

17) In this connection, I beg to invite attention to my letter No.1268/Books dated the 24th October 18 on the subject of the discontinuance of the practice of recovering premia on Currency Notes presented at Government Treasuries for encashment.

Bangalore,
22nd May 1919.

Comptroller.

CV

Reference file put up
Please see flag V.

(8) Sealed to me 26-5-19

(9) Reference is invited to the Note & discussions in file 21-18-

It is desirable to take up the matter now as a general arrangement, and review the position in the light of recommendations

NOTE—Contn. sheet.

Serial No.

× V

made in his letter of 24.10.18 may not satisfy the public.

20) Hony

26/5

21) Our Honour friend will not at all be better off under the arrangement suggested by the Comptr. His district being a deficit district he will have to pay premia all the year round.

22) The present practice as laid down in Art 878 M.T.M. need not be changed

30/5

23) [A brief explanatory reply may be given to Mr Ferguson on the lines of Comptr's note of 21.4.19 M.]

DEWAN'S OFFICE.
Recd. on MAY. 31 1919
Reg. No. 7603

24) Dewan

25) I think the question may be reconsidered Please Circulate this at a meeting of the C

6/6

NOTE—Contn. sheet.

26) To Ch. Secy with compliments for circulation

27) Circulate

13/6/19

9/6 5/6

(7

(For disposal at a meeting)

No. C. 899
16.6.1919

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

Practice of recovering premia on currency notes presented at Government Treasuries for encashments.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

C Balasundaram
Chief Secretary to Government.

14th June 1919

Extraordinary Member of Council. 29.6.19

20444/21.6.19 **First Member of Council.**

1902-48/17.6.19 **Second Member of Council.** 19.6.19

5232/15.6.19 Third Member of Council. 15/6

GPB 1,000—8.18.

C.899

(8

Extract from the Proceedings of the 495th *Meeting of the Council of His Highness the Maharaja, held at Bangalore on the* 10th July *19* 19

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9. Subject.-Clause xii of the Schedule.

(28)

Practice of recovering premia on currency notes presented at Government Treasuries for encashments.

Opinion of the Council.

The present practice may continue. A suitable reply may be sent to the Manager, Hunsur Works.

Sd. A.R.Banerji,
Offg. Dewan of Mysore.

"EXTRACT"

C Balasundaram Jr

Chief Secretary to Government.

(10

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WD A2089—GPB—500—1-5-18

G. R. S. III-2]

General and Revenue Secretariat.

C. 899

G7 File No. 290 of 1918.

*23. As soon as circulation is complete and the opinion of the Council is recorded the file will be forwarded to the Secretary in the Department concerned for transmission if need be to the Financial Secretary under Standing Orders and for submission to the Dewan or Member in charge.

29) Extract from the Proceedings of the Council is put up.

Forwarded with compliments to the Secretary to Government, Financial Department, under *Rule 23 of the Subsidiary Rules of Council Business.

By Order,

C Balasundaram
Chief Secretary to Government.

30) 12.7.19

31) Draft with D.N 14/7

32) Subs
D. S. N. & Draft letter to the Manager, Hunsur Works put up.
Hon 16/7/19

33) Clean drafts of D.S.N & letter to the Manager, put up
Hon 22/7/19

34) Perused

22/7

35) Dewan 24.7.19

DEWAN'S OFFICE.
Recd. on JUL 26 1919
Reg. No. 665

H. B. Ferguson Esq
Manager Hunsur Works, Hunsur
no. Dl. 1151/G.7. 290-19-2
Dated 14th July 19

Regrets that the present free coinage is changed. The Commission is levied only in deficit treasuries & intended to just cover the cost of remittance of specie to such treasuries. As regards rates & circumstances in which the Commission is levied it is to

(14

Submitted to His Highness.

36) When the subject of the discontinuance of the practice of recovering premia on currency notes presented at Government Treasuries for encashment came up for discussion before the Representative Assembly of April 1918, a promise was made that the list of places in which premium is levied would be examined and revised, if necessary. The treasuries which now levy a commission for the encashment of currency notes are noted in paragraph 878 of the Mysore Treasury Manual.

H

37) 2. In view of the shortage in metallic currency that prevailed at the time, an Order was issued on 27th December 1918 stating that no action was then possible but that the question would be considered when the shortage in metallic currency ceased and normal specie conditions were restored.

S

Paper under disposal 38) 3. A representation from the Manager, Hunsur Works, having since been received for currency notes being permitted to be cashed at par at the Hunsur Taluk Treasury, the subject was again considered at a meeting of Council on 10th July 1919, who were of opinion that the present practice may continue as the commission is levied only in deficit treasuries and is intended to just cover the cost of remittance of specie to such treasuries. The accompanying draft reply to the Manager Hunsur Works, which is in accordance with the opinion of the Council, may be graciously approved.

Page 8 of Office Notes

Draft for approval

Venkatarayiah

25th July 1919

Rly

(14)

899

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

39) Proposal to continue the present practice of recovering premia on currency notes presented at certain Government Treasuries for encashment.

201

40) *Order.*

~~KRW~~

31/7/19

41) H. Lee

1.8.19

883

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G. R. S. III-2]

C. 899

General and Revenue Secretariat. | G.J. File No. of 191

Serial No.

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to the Members of Council for perusal of His Highness' orders $\frac{\text{before}}{\text{after}}$ issue of orders. (*) (*Vide* Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure).

CSBalasundaramayya
Chief Secretary to Govt. 4/8/19

Through the Secretary to Government,
..... Financial Department.
3.8.19
4/8

928-93
5.8.19.

FIRST MEMBER OF COUNCIL
6.8.19

SECOND MEMBER OF COUNCIL
5/8

5bd
21.8.19

44
2.8.19.

~~TEMPORARY~~ MEMBER OF COUNCIL.
2/8/19

Issue
2/8.

For hed. ink abstract of vol: 2
please vide page 10.

file
No Case
Issue

NOTE.—Contn. sheet

WD 1573—GPB—500—4-3-19

By post 7.4.19.

No. 33.

Ft 290-18-1

(14

D 2803

Letter Book G.

Enclosures

TELEGRAPHIC ADDRESS:
"WORKS," HUNSUR

A. B. C. CODE USED, 4th & 5th EDITIONS.

RAILWAY STATION:
PASCHIMAVAHINI, M. & S. M. R.

(INCORPORATED IN ENGLAND.)

THE HUNSUR WORKS.

Hunsur, 4th April, 1919

DEWAN'S OFFICE.
Date of Receipt 12.4.19
Regn. No. 81

The Dewan,
Government of Mysore,
BANGALORE.

Sir,

I have the honour to bring to your kind notice that the Treasury authorities at Hunsur charge us a Commission of As.4/- per Rs.100/- for cashing Madras Currency Notes and As.8/- for notes of other places. We understand, however, that no other Treasury either in the Mysore Province or outside the State, charges any discount in exchanging Currency Notes, and shall therefore be obliged if you would very kindly make enquiries in the matter, and issue necessary orders to the authorities concerned not to do so in future, letting us know the result at the same time.

Thanking you in anticipation,

I have the honour to be,

Sir,

Your most obedient servant,

Manager.

Rec'd. 9.4.19 18 19.4.19

Complied

DEWAN'S OFFICE 21 APR 1919 BANGALORE. MYSORE GOVT.

1115 Resource

9/4
12

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2 D.....

No R1151/67-290-19-2

& 14 Augt 19

To

H.B.Ferguson Esq.,

Manager,

The Hunsur Works,

Hunsur.

Dear Sir,

In reply to your letter dated 4th April 1919 to the Dewan requesting -- issue of orders not to levy commission on currency notes presented for encashment at the Hunsur Treasury, I am -- directed to state that Government regret that the present practice cannot be changed as the commission is levied only in deficit treasuries and is -- intended to just cover the cost of -- remittance of specie to such treasuries. Hunsur is not the only treasury where levy of commission of Annas 4 per cent on Madras circle and universal currency notes has been authorised, & similar practice prevails in other treasuries in the State to which specie has, as in the case of Hunsur, to be remitted to enable the public to get cash for -- currency notes.

As regards notes of circles, other than Madras circle, or, universal notes, the commission leviable is not 8 annas as stated in your letter, but 7 annas- 4 annas ~~per~~ per cent under the ordinary rules to cover the cost of remittance of specie

specie and in addition 3 annas per cent for payment to the Bank of Madras which encashes such notes for the Mysore -- Government only on payment of such -- commission.

Yours faithfully,

Financial Secretary to Govt.